

Social Problems of Our World— How TDK Meets the Challenge

The problems facing modern society are manifold, ranging from climate change and other environmental problems to social concerns such as the poverty gap. The nature of the issues and their regional extent also differ widely. In this challenging world, TDK is looking for ways to help in finding solutions by utilizing our strengths as an enterprise. By focusing on key issues under the aspect of CSR, we aim to contribute towards solving problems while continuing to develop as a business and work towards the realization of a sustainable society.

Continued evolvement of business

Creation of a sustainable society

1 Contribution to the world by technology

2 Development of human resources

3 Society and environmental considerations in the supply chain

4 Symbiosis with the global environment

Resources and energy problems

Resources required by humanity in 2030

2 globes' worth ^{*1}

Economic gap

Percentage of OECD member countries where gap increased

75 % ^{*2}

Poverty

Number of people subsisting on less than 1.25 USD per day (as of 2008)

1.29 billion ^{*3}

Food shortages

Number of people suffering from malnutrition

925 million ^{*4}

Climate change

Sea level rise by 2100

Max. **59** cm ^{*5}

Loss of biodiversity

Global nature loss in past 30 years

-28 % ^{*1}

Water shortage

Number of people without enough water in 2025

2 in 3 ^{*6}

References: *1 WWF "Living Planet Report 2012," *2 According to OECD Tokyo Center, *3 According to World Bank, Tokyo Office, *4 FAO Report "State of Food Insecurity in the World 2010," *5 IPCC "Fourth Assessment Report" (2007), *6 UNEP "Global Environment Outlook 4" (2007)

Overview of FY 2013 Activities and FY 2014 Action Plan

The TDK Group has identified action items that are particularly important from the perspective of CSR, and we are working to implement these through business activities.

The PDCA cycle is applied to each item based on the action plan, and we continuously strive to improve activities.

Item		FY 2013 Action Plan	FY 2013 Results	FY 2014 Action Plan	
1	Contribution to the world by technology	Contribute to resolving social problems through business activities	<ul style="list-style-type: none"> Promote the development of products which contribute toward solving problems in the Mid Term Plan, with special emphasis on "Next-generation Information and Communications" and "Energy-related" 	<ul style="list-style-type: none"> Realized the mass production of magnets with a greatly reduced use of rare earth materials, and developed a micro DC-DC converter and a wireless power transfer charging system for mobile phones, etc. 	<ul style="list-style-type: none"> Continue to promote the development of products which contribute toward solving problems in the Mid Term Plan, with special-emphasis on "Next-generation Information and Communications" and "Energy-related"
2	Development of human resources	Innovative craftsmanship training	<ul style="list-style-type: none"> Continue the TDK Monozukuri Tradition Seminars Conduct the seminars at overseas sites according to team composition 	<ul style="list-style-type: none"> Conducted TDK Monozukuri Tradition Seminars (12 employees participated in FY 2013) 	<ul style="list-style-type: none"> Continue the TDK Monozukuri Tradition Seminars Conduct the seminars at overseas sites according to team composition
		Development of global human resources	<ul style="list-style-type: none"> Continue cross-cultural communication training and IMD seminars Continue to bolster the overseas trainee program Continue to expand the support for language study programs within a self-development framework 	<ul style="list-style-type: none"> Conducted cross-cultural communication training and IMD seminars Bolstered the overseas trainee program Continued and expanded support for language study programs within a self-development framework 	<ul style="list-style-type: none"> Continue cross-cultural communication training and IMD seminars Continue to bolster the overseas trainee program Continue to expand the support for language study programs within a self-development framework
		Promote diversity	<ul style="list-style-type: none"> Continue the implementation of action plans in various departments 	<ul style="list-style-type: none"> Implemented action plans in various departments 	<ul style="list-style-type: none"> Continue the implementation of action plans in various departments
		CSR awareness within the company	<ul style="list-style-type: none"> Continue to implement e-learning (Japan) and expand the overseas implementation areas Continue to enlarge the scope of group training 	<ul style="list-style-type: none"> Continued to implement e-learning (Japan, China), and prepared to expand the overseas implementation areas Continued to broaden coverage of the stratified group training Conducted workshops as part of IMD training 	<ul style="list-style-type: none"> Continue to implement e-learning (Japan, China), and expand the overseas implementation areas (increased the number of sites in China, and extended to Europe and the Americas.) Continue to broaden coverage of the stratified group training Promote CSR awareness during IMD training
3	Society and environmental considerations in the supply chain	Promote CSR procurement	<ul style="list-style-type: none"> Periodically revise CSR check sheets for suppliers and continue to provide guidance Expand supplier CSR audits 	<ul style="list-style-type: none"> Improved and provided guidance for CSR check sheet for suppliers Performed supplier CSR audits 	<ul style="list-style-type: none"> Periodically revise CSR check sheets for suppliers and continue to provide guidance Expand supplier CSR audits Implement CSR training at employment agencies focusing on labor and human rights
		Handle conflict minerals regulations	<ul style="list-style-type: none"> Gather information and assess trends regarding legal regulations for conflict minerals Provide a proper response for customer and suppliers Establish an internal company framework 	<ul style="list-style-type: none"> Gathered information and assessed trends regarding legal regulations for conflict minerals Provided a proper response for customers and suppliers Established an internal company framework for the TDK Group Reviewed the internal framework in light of SEC's final conflict mineral rules 	<ul style="list-style-type: none"> Continue gathering information and assessing trends regarding interpretation of SEC's final conflict mineral rules Continue to provide a proper response for customers and suppliers Continue to improve the internal company framework
		CSR based customer relations	<ul style="list-style-type: none"> Implement regular TDK CSR "Self Checks" at manufacturing sites and promote ongoing management-level improvement Perform internal CSR audits Respond to CSR survey and auditing requests from customers in a timely manner 	<ul style="list-style-type: none"> Implemented regular TDK CSR "Self Checks" at manufacturing sites and promoted management-level improvement, focusing on labor and human rights Implemented self-imposed audits by third party organizations (4 sites in China) Responded to CSR survey and auditing requests from customers in a timely manner 	<ul style="list-style-type: none"> Implement regular TDK CSR "Self Checks" at manufacturing sites and promote management level improvement Implement self-imposed audits by third party organizations (8 sites in China and other Asian locations) Respond to CSR survey and auditing requests from customers in a timely manner
4	Symbiosis with the global environment	Promote environmental activities	<ul style="list-style-type: none"> Promote environment-oriented activities based on the TDK Environmental Action 2020 Work towards achieving carbon neutrality <ul style="list-style-type: none"> Reduce CO₂ emissions (environmental load) from manufacturing operations to no more than 1,090,000 t-CO₂ Increase the reduction of CO₂ emissions through products (environmental contributions): establish TDK calculation standards for environmental contributions 	<ul style="list-style-type: none"> Promoted environment oriented activities based on the TDK Environmental Action 2020 Worked towards achieving carbon neutrality: <ul style="list-style-type: none"> Reduced CO₂ emissions (environmental load) from manufacturing operations: 1,031,000 t-CO₂ Reduction of CO₂ emissions through products (environmental contributions): increased the number of products for which environmental contributions can be quantified (498,000 t-CO₂) 	<ul style="list-style-type: none"> Promote environment-oriented activities based on the TDK Environmental Action 2020 Continue to work towards achieving carbon neutrality: <ul style="list-style-type: none"> Reduce CO₂ emissions (environmental load) from manufacturing operations to no more than 1,090,000 t-CO₂ Increase the reduction of CO₂ emissions through products (environmental contributions): implement TDK calculation standards for environmental contributions, and obtain contribution allocation